



6239.0 - Barriers and Incentives to Labour Force Participation, Australia, July 2014 to June 2015

Previous ISSUE Released at 11:30 AM (CANBERRA TIME) 03/05/2016

Summary

Main Features

ABOUT THIS PUBLICATION

This publication presents information about persons aged 18 years and over who were either not employed or who usually worked less than 35 hours per week. In respect of employed persons, the Barriers and Incentives to Labour Force Participation topic collects data only for those working less than 35 hours, as they have the greatest potential to increase their labour force participation. The data collected provides information on the potential labour force and the characteristics of that potential labour force.

Data from this survey are used to obtain a better understanding of the factors that influence persons to participate (more) in the labour force and the hours they work. By identifying the barriers that persons face in joining the labour force or in working greater hours or in getting a job, a range of incentives to increase labour force participation and hours worked may then be identified. The data are cross-classified by a range of demographic characteristics such as age and sex, as well as labour force characteristics.

The statistics in this publication were compiled from the Multipurpose Household Survey (MPHS), conducted throughout Australia during the 2014–15 financial year, as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS).

Information on the other topics collected in the 2014–15 MPHS can be found in Paragraph 1 of the Explanatory Notes.

CHANGES IN THIS ISSUE

For the 2012–13 survey, questions were included on Previous full-time job details and Main source of current personal income. These were excluded from the 2014–15 survey.

For the 2014–15 survey, enhancements were made to the Previous job payment arrangements question, adding the response category of 'Unpaid trainee/work placement'. Enhancements were also made to survey questions on why not looking for work or more hours, trouble finding work or more hours and wanting more hours. The response categories of 'No need/satisfied with current arrangements/retired (for now)' and 'Visa requirements' were added to these questions.

Questions on incentives to join or increase participation were included in 2014–15 survey. The incentives module used to be collected every second cycle but now its part of the core content and therefore included in each iteration of the survey.

NOTES ABOUT ESTIMATES

The MPHS is designed primarily to provide estimates at the Australia level. Broad estimates are also available for states and territories, although users should exercise caution when using estimates at this level, because of the presence of high sampling errors. For further information about the reliability of the estimates see paragraph 13 of the Explanatory Notes.

Conceptual Framework

CONCEPTUAL FRAMEWORK

OVERVIEW

To understand potential barriers to increased labour force participation there are three groups of persons who are of particular interest:

- unemployed (673,100 persons);
- persons not in the labour force (5.9 million); and
- employed persons who usually worked less than 35 hours (3.4 million).

Persons not in the labour force includes persons who wanted a paid job and those who did not want a paid job.

The 2014–15 Multipurpose Household Survey (MPHS) revealed that of persons working between 16 and 34 hours, 535,100 persons preferred to work more hours and 499,600 persons were available to start work or more hours. For persons working less than 16 hours, 413,100 preferred to work more hours and 386,900 were available to start work or more hours. The Survey also revealed that of persons not in the labour force, 1.2 million wanted a paid job and 870,100 persons were available to start work.

The following conceptual framework identifies these groups of persons.

CIVILIAN POPULATION aged 18 years and over (a) (b)											
17,885,000											
Labour force						Persons not in the Labour force					
11,947,500						5,941,600					
Employed						Unemployed					
11,278,800						673,100					
Persons who usually worked 35 hours or more per week				Persons who usually worked 16-34 hours per week		Persons who usually worked 0-15 hours per week					
7,844,800				2,321,200		1,110,000					
Preferred to work more hours				Did not prefer to work more hours (c)		Preferred to work more hours				Did not prefer to work more hours (c)	
535,100				1,783,300		413,100				694,000	
Available to start work with more hours (e)				Not available to start work with more hours (e)(f)		Available to start work with more hours (e)				Not available to start work with more hours (e)(f)	
499,600				28,600*		386,900				25,200*	
Looked for more hours				Did not look for more hours		Looked for more hours				Did not look for more hours	
270,700				228,900		205,500				181,400	
						Wanted a paid job (d)		Did not want a paid job (c)			
						1,165,400		4,671,400			
						Available to start work (e)		Not available to start work (c)(e)			
						870,100		310,200			
						Actively looked for work (g)		Did not actively look for work			
						68,500		801,600			

OVERVIEW

The 2014–15 Multipurpose Household Survey (MPHS) revealed that of the 17.9 million persons aged 18 years and over, there were 10.0 million persons who did not work full-time. This group comprised persons not in the labour force (5.9 million), unemployed persons (673,100), persons usually working fewer than 16 hours (1.1 million) and persons who usually work 16–34 hours (2.3 million) (Table 1).

Of those 10.0 million persons who did not work full-time, approximately 2.8 million (or 28%) indicated that they would like a job or to work more hours. This group comprised (Tables 1 and 16):

- 1.2 million (or 42%) persons who wanted a job but were not in the labour force;
- 673,100 (or 24%) persons who were unemployed;
- 413,100 (or 15%) persons who usually worked 0–15 hours per week but wanted to work more hours; and
- 535,100 (or 19%) persons who usually worked 16–34 hours per week but wanted to work more hours.

For the remaining 7.2 million persons (72%) who did not work full-time:

- 4.7 million persons (65%) did not want a job;
- 694,000 persons (10%) worked 0–15 hours per week but did not want more hours; and
- 1.8 million persons (25%) worked 16–34 hours per week but did not want to work more hours (Tables 1 and 16).

Estimates are based on data collected from July 2014 to June 2015.

PERSONS WHO WANTED A JOB OR WORK WITH MORE HOURS

There were 2.8 million persons who wanted a job or preferred to work more hours. Determining whether these persons wanted a job or are available to work more hours, is important because those who are available have a greater potential to participate or increase their participation in the labour force than those who are not available.

Of the 2.8 million persons who wanted a job or preferred to work more hours:

- 2.4 million persons were available to start work within four weeks. Of these (Tables 1 and 16):
 - 1.2 million persons were not looking for a job or work with more hours; and
 - 1.2 million persons were looking for a job or work with more hours.
- 373,000 persons were not available to start a job or work with more hours within four weeks.

Females represented 63% of those who wanted a job or preferred more hours. This reflects the fact that, in comparison to males, more females were working less hours than they wanted to or were not in the labour force (Table 1).

Available but not looking for a job or work with more hours

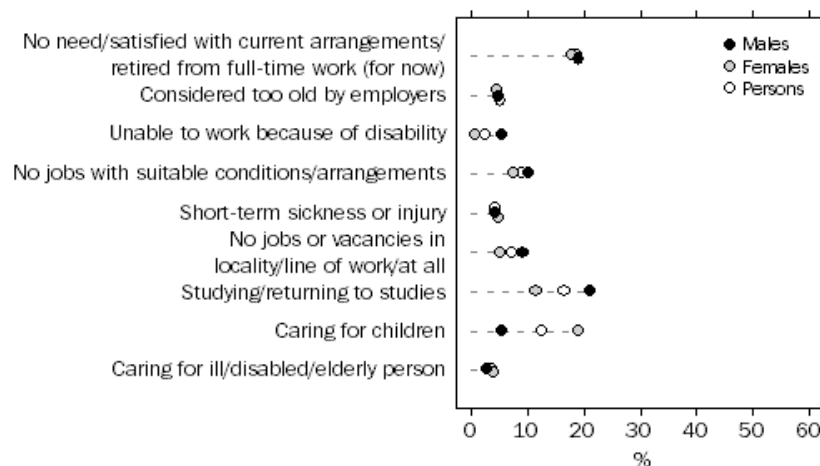
Of the 2.4 million persons who wanted a job or work with more hours and were available to start work within four weeks, 1.2 million persons (50%) indicated that they were not looking for a job or work with more hours. Three-fifths of this group were females (740,200 or 61%) (Table 5).

'No need/satisfied with current arrangements' was a commonly reported main reason for not looking for a job or work with more hours (227,100 persons or 19%). Most persons who reported this (130,900 or 58%) were aged 55 years and over (Table 6).

Another commonly reported main reason for not looking for a job or work with more hours was 'studying/returning to studies' (201,900 persons or 17%). Most persons who reported this (145,900 or 72%) were aged between 18 and 29 years (Table 6).

It should be noted that the previously reported 2012–13 data cited 'caring for children' as the most commonly reported reason for not looking for a job or work with more hours, which is now ranked third in the 2014–15 results.

PERSONS AVAILABLE BUT NOT LOOKING FOR A JOB OR WORK WITH MORE HOURS, Selected main reason for not looking for a job or work with more hours, By sex, 2014–15



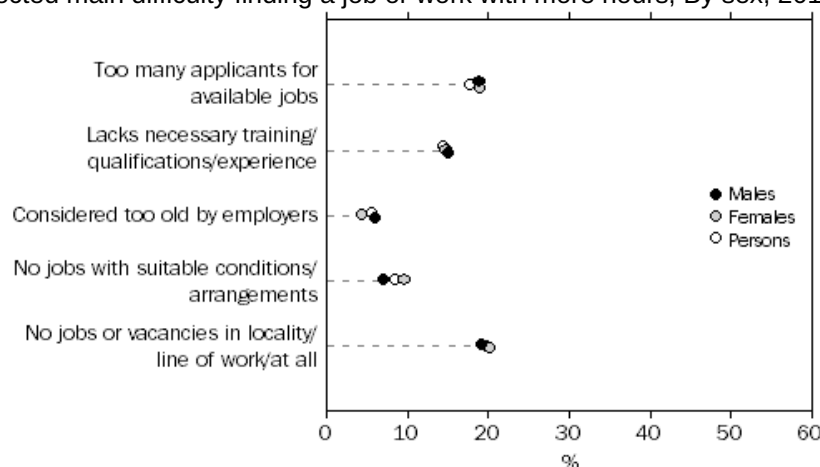
Available and looking for a job or work with more hours

There were 1.2 million persons (59% were females) who wanted a job or work with more hours, were available and were looking of whom (Tables 1, 7 and 16):

- 673,100 were unemployed (55%);
- 476,100 usually worked fewer than 35 hours (39%); and
- 68,500 were not in the labour force (6%) (these persons were defined as not in the labour force rather than unemployed because they were not available to start work in the reference week, but were available to start within four weeks).

One of the main difficulties in finding a job or work with more hours reported by persons who were available and looking was 'no jobs or vacancies in locality or line of work or at all' (229,600 persons or 20%). Three-fifths of those who reported this (61%) were females. 'Too many applicants for available jobs' was another commonly reported difficulty (207,200 persons or 18%) (Table 7).

PERSONS AVAILABLE AND LOOKING FOR A JOB OR WORK WITH MORE HOURS, Selected main difficulty finding a job or work with more hours, By sex, 2014–15



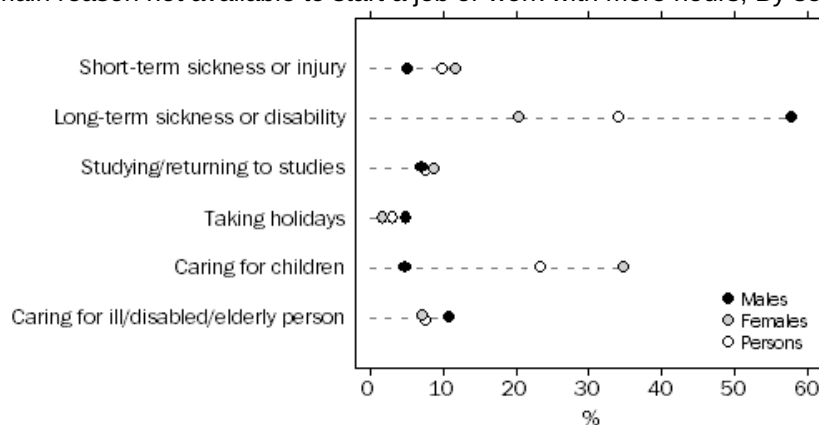
Not available to start a job or work with more hours

Males and females had different reasons for not being available to start a job or work with more hours within four weeks. About 78,800 (or 35%) of the 226,600 females who wanted to start a job or work with more hours but were unavailable reported that 'caring for children' was the main reason for their unavailability. Another commonly reported main reason given by females for not being available was 'long-term sickness or disability' (46,200 or 20%). Approximately 95,500 (or 42%) of females who were not available to start a job or work with more hours within four weeks reported that they would be available to start within six months (Table 4).

Of the 137,400 males who wanted to start a job or work with more hours but were not available, just over half reported that their main reason for unavailability was 'long-term sickness or disability' (79,400 or 58%). Of the males not available to start a job or work with more hours within four weeks, 23% reported that they would be available to start within six months (Table 4).

PERSONS WHO WANTED TO START A JOB OR WORK WITH MORE HOURS, BUT WERE NOT

AVAILABLE(a),
Selected main reason not available to start a job or work with more hours, By sex, 2014–15



(a) Availability refers to the reference week or within four weeks.

Preferred weekly hours

Of the 1.2 million persons not in the labour force who wanted a job, 73% reported that they would prefer to work part-time hours (65% of males and 78% of females). The average preferred number of hours was 27.2 hours (Table 8).

PERSONS WHO DID NOT WANT A JOB OR WORK WITH MORE HOURS

Approximately 7.2 million of those who were not employed or who worked fewer than 35 hours indicated that they did not want a job or to work more hours. This comprised (Tables 1 and 10):

- 4.7 million persons (2.9 million females and 1.8 million males) who were not in the labour force;
- 694,000 persons (486,600 females and 212,400 males) who usually worked fewer than 16 hours; and
- 1.8 million persons (1.3 million females and 442,500 males) who usually worked 16 to 34 hours.

Of the 694,000 persons who usually worked less than 16 hours per week (Tables 1 and 10):

- 362,800 persons (107,800 males and 260,600 females) were 'very satisfied' with their current hours; and
- 380,200 persons (120,800 males and 259,200 females) were 'very satisfied' with their current work arrangements.

Of the 1.8 million persons who usually worked 16 to 34 hours per week (Tables 1 and 10):

- 864,100 persons (183,100 males and 684,000 females) were 'very satisfied' with their current hours; and
- 800,400 persons (164,400 males and 640,400 females) were 'very satisfied' with their current work arrangements.

Persons who were not in the labour force and did not want a job were generally older (72% were aged 55 years and over). Females aged 55 years and over formed the largest single group, representing 41% of those who were not in the labour force and did not want a job, while males of that age represented 31%. Males in the younger age groups represented only a small proportion of those not in the labour force who did not want a job – males aged 18–54 years formed just 7% of this group. In contrast, females aged 18–54 years formed 21% (Table 11).

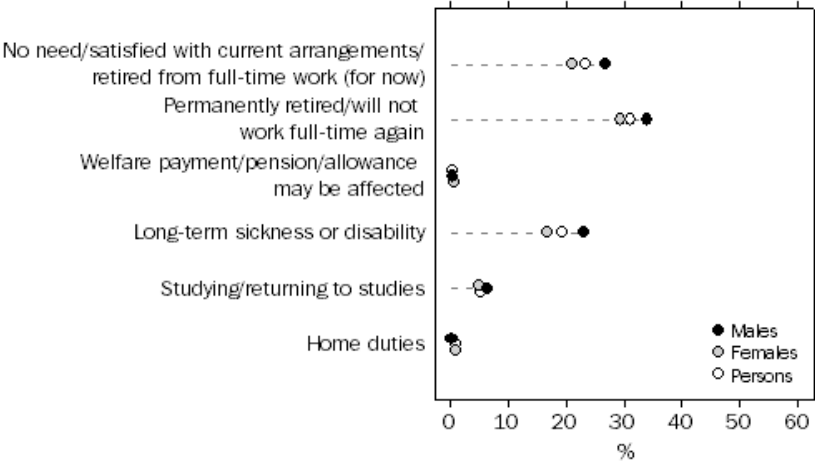
Of the 4.7 million persons not in the labour force who did not want a job, common main reasons for not wanting a job were (Table 11):

- 'permanently retired from full-time work/will not work full-time again' (1.5 million or 31%);
- 'no need/satisfied with current arrangements/retired from full-time work (for now)' (1.1 million or 23%); and
- 'long-term sickness or disability' (896,400 or 19%).

'Long-term sickness or disability' was reported by 23% of males (or 409,400) and 17% of females (or 488,000). For males, 73% of these were aged 55 years and over and for females 65% were aged 55 years and over. Nine percent of persons (or 402,300) indicated the main reason that they did not want a job was due to 'caring for

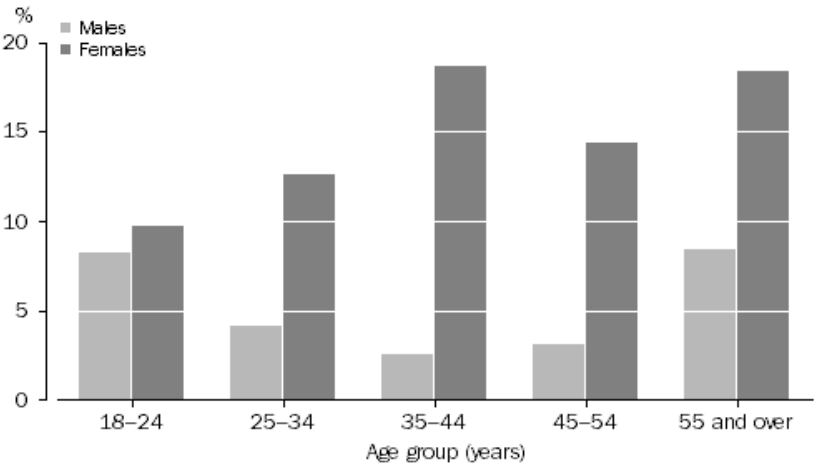
children'. Of the 18–29 years age group, 48% reported that 'studying or returning to studies' was the main reason they did not want a job (Table 11).

PERSONS NOT IN THE LABOUR FORCE WHO DID NOT WANT A JOB,
Selected main reason for not wanting a job, By sex, 2014–15



Males and females who usually worked fewer than 35 hours and did not want to work more hours were relatively young; 56% were aged between 18 and 44 years (Table 2).

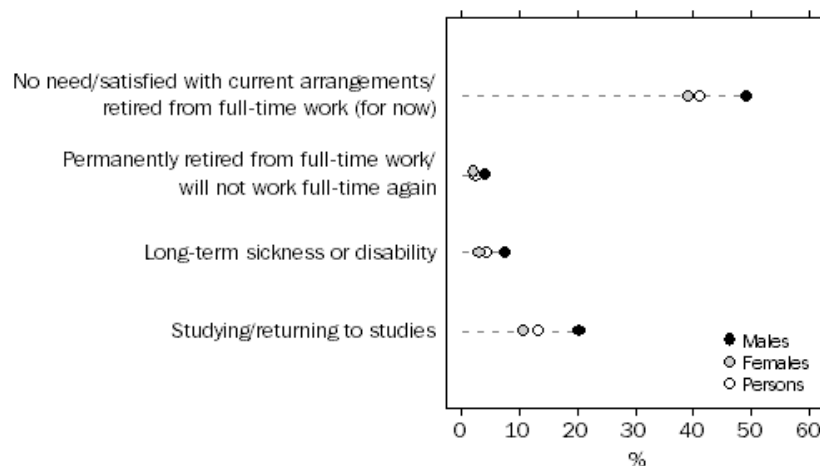
PERSONS WHO USUALLY WORKED FEWER THAN 35 HOURS AND DID NOT WANT TO WORK MORE HOURS,
Age and sex distribution, 2014–15



Females made up nearly three-quarters (73%) of those who worked fewer than 35 hours and who did not want to work more hours (Table 2). The most commonly reported main reason given by 39% (711,500) of these females, for not wanting more hours, was 'no need/satisfied with current arrangements/retired from full-time work (for now)' – approximately 42% of this group was aged 55 years and over (Table 12).

There were 649,400 males who usually worked fewer than 35 hours and did not want to work more hours. The most commonly reported main reason given by 49% (319,700) of these males, for not wanting more hours, was 'no need/satisfied with current arrangements/retired from full-time work (for now)' – approximately 44% of this group was aged 55 years and over (Table 12).

PERSONS WHO USUALLY WORKED FEWER THAN 35 HOURS AND DID NOT WANT TO WORK MORE HOURS,
Selected main reason for not wanting to work more hours, By sex, 2014–15



INCENTIVES TO JOIN/INCREASE PARTICIPATION IN THE LABOUR FORCE

Incentives to join the labour force or to increase participation was asked of persons aged 18–75 years who were:

- not in the labour force, excluding those permanently unable to work and those permanently retired; or
- unemployed; or
- usually worked less than 35 hours.

A range of incentives that would encourage persons to join or increase their participation in the labour force was asked. Incentives have been grouped into the following categories:

- 'work related';
- 'skill related';
- 'finance related';
- 'childcare related';
- 'caring related'; and
- 'other incentives'.

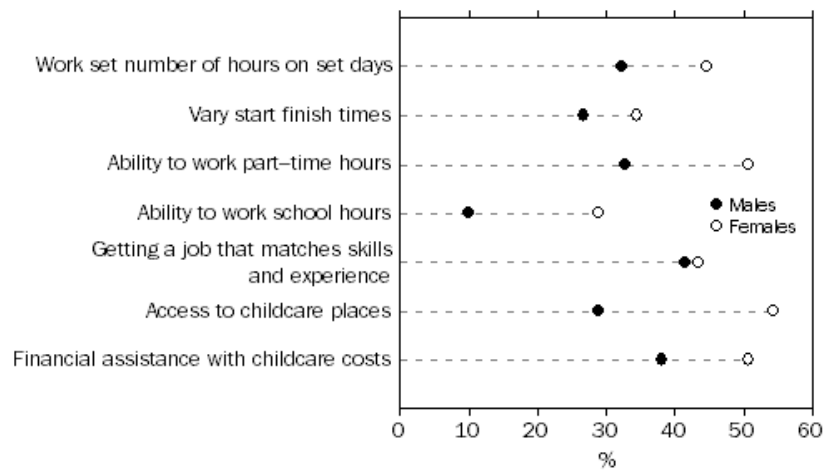
For work related incentives to increase participation in the labour force, 51% of females and 33% of males reported the 'ability to work part-time hours' as 'very important' (Table 13).

For skill related incentives, 43% of persons reported 'getting a job that matches skills and experience' as 'very important' (44% of females and 41% of males). In contrast, 29% of persons reported 'getting help with job search activities' as 'not important at all'. This was reported by 30% of females and 28% of males (Table 13).

Of persons with children or who were caring for children, 51% reported the incentive that was 'very important' to them to join or increase participation in the labour force was 'access to childcare places', with 54% of females and 29% of males reporting this as 'very important'. Of the total persons reported, 48% identified 'financial assistance with childcare costs' as 'very important' (51% of females and 38% of males) (Table 13).

Females were generally more likely to report incentives as 'very important' than males.

SELECTED INCENTIVES TO JOIN/INCREASE PARTICIPATION IN THE LABOUR FORCE, By sex, 2014–15



For employed persons, 58% reported the 'ability to work part-time hours' and 49% reported 'access to childcare places' as 'very important'. For unemployed persons, 60% reported 'getting a job that matches skills and experience' and 59% reported 'access to childcare places' as 'very important'. For persons not in the labour force, 51% reported 'financial assistance with childcare costs' as 'very important' (Table 14).

SELF ASSESSED HEALTH

For persons who usually worked 0 to 34 hours per week, 2.3 million persons (or 68%) rated their health as either excellent (977,500 persons) or very good (1.4 million persons). Of these, 1.7 million persons (73%) did not prefer to work more hours (Table 2).

The majority of persons who were unemployed assessed their own health as either excellent (178,300 persons), very good (222,500 persons) or good (183,700 persons) (Table 2).

Persons not in the labour force assessed their own health as either very good (1.6 million persons), good (1.6 million persons) or fair (1.1 million persons). Of these, 3.4 million persons (or 79%) did not want a paid job (Table 2).

About this Release

Provides information about persons who are 18 years and over who are either not employed or usually work less than 35 hours. Data from this survey are used to obtain a better understanding of the factors that influence persons to participate (more) in the labour force and the hours they work. Estimates can be cross-classified by demographics such as sex, age and country of birth, as well as labour force characteristics.

Explanatory Notes

Explanatory Notes

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains results from the Barriers and Incentives to Labour Force Participation Survey, a topic on the Multipurpose Household Survey (MPHS) conducted throughout Australia from July 2014 to June 2015. The MPHS is conducted by the Australian Bureau of Statistics (ABS) as a supplement to the monthly Labour Force Survey (LFS), and is designed to collect statistics for a number of small, self-contained topics. The topics collected in 2014–15 were:

- Crime Victimization, Australia (cat. no. 4530.0)
- Patient Experiences in Australia: Summary of Findings (cat. no. 4839.0)
- Retirement and Retirement Intentions, Australia (cat. no. 6238.0)
- Barriers and Incentives to Labour Force Participation, Australia (cat. no. 6239.0)
- Household Use of Information Technology, Australia (cat. no. 8146.0)

2 For all topics, information on labour force characteristics, education, income and other demographics are available.

3 The publication Labour Force, Australia (cat. no. 6202.0) contains information about survey design, sample design, scope, coverage and population benchmarks relevant to the monthly LFS, which also apply to the MPHS. It also contains definitions of demographic and labour force characteristics, and information about the modes of data collection, which are relevant to both the monthly LFS and the MPHS.

CONCEPTS SOURCES AND METHODS

4 The conceptual framework used in Australia's LFS aligns closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's labour force statistics, and the sources and methods used in compiling these estimates, are presented in Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001).

COLLECTION METHODOLOGY

5 ABS interviewers conducted personal interviews by either telephone or in person at selected households during the 2014–15 financial year. Each month a sample of households were selected for the MPHS from the responding households in the LFS. In these households, after the LFS had been fully completed for each person, a usual resident aged 15 years and over was selected at random and asked the additional MPHS questions in a personal interview. Information was collected using Computer Assisted Interviewing (CAI), whereby responses are recorded directly onto an electronic questionnaire in a notebook computer.

SCOPE

6 The scope of the LFS is restricted to persons aged 15 years and over and excludes the following:

- members of the permanent defence forces;
- certain diplomatic personnel of overseas governments, customarily excluded from census and estimated population counts;
- overseas residents in Australia; and
- members of non-Australian defence forces (and their dependants).

7 In addition the 2014–15 MPHS excluded the following:

- households in Indigenous communities; and
- persons living in non-private households such as hotels, university residences, students at boarding schools, patients in hospitals, inmates of prisons and residents of other institutions (e.g. retirement homes, homes for persons with disabilities).

8 For the Barriers and Incentives to Labour Force Participation topic, the scope was further restricted to persons aged 18 years and over.

COVERAGE

9 In the LFS, coverage rules are applied which aim to ensure that each person is associated with only one

household and hence has only one chance of selection in the survey. See the Explanatory Notes of Labour Force, Australia (cat. no. 6202.0) for more details.

SAMPLE SIZE

10 The initial sample for the MPHS 2014–15 consisted of approximately 23,000 private households. Of the 13,800 private households that remained in the survey after sample loss (e.g. households with LFS non-response, no residents in scope for the LFS, vacant or derelict dwellings and dwellings under construction), approximately 73% fully responded to the MPHS. The number of completed interviews obtained from these private households (after taking into account scope, coverage and sub-sampling exclusions) was 5,500 for the Barriers and Incentives to Labour Force Participation survey.

WEIGHTING, BENCHMARKING AND ESTIMATION

11 Weighting is the process of adjusting results from a sample survey to infer results for the total in scope population. To do this, a 'weight' is allocated to each sample unit, which, for the MPHS, can either be a person or a household. The weight is a value which indicates how many population units are represented by the sample unit. The first step in calculating weights for each unit is to assign an initial weight, which is the inverse of the probability of being selected in the survey. The initial weights are then calibrated to align with independent estimates of the population of interest, referred to as 'benchmarks'. Weights are calibrated against population benchmarks to ensure that the survey estimates conform to the independently estimated distribution of the population rather than the distribution within the sample itself.

12 The statistics presented in this survey have been benchmarked to the Estimated Resident Population for March 2015, independently produced according to the scope of the survey. This ensures that the survey estimates conform to person benchmarks by state, section of state, age and sex. The statistics have been further benchmarked to LFS estimates averaged over the 12 month MPHS reference period. This ensures that survey estimates are also consistent with the estimated in-scope population by state, section of state, sex, age and labour force status.

RELIABILITY OF THE ESTIMATES

13 Estimates in this publication are subject to sampling and non-sampling errors:

- Sampling errors are the difference between the published estimate and the value that would have been produced if all households had been included in the survey (for more information see the Technical Note); and
- Non-sampling errors are inaccuracies that occur because of, for example, imperfections in reporting by respondents and interviewers and errors made in coding and processing data. These inaccuracies may occur in any enumeration, whether it be a full count or a sample. Every effort is made to minimise non-sampling error by careful design of questionnaires, intensive training and supervision of interviewers, and effective processing procedures.

CLASSIFICATIONS USED

14 Country of birth data are classified according to the Standard Australian Classification of Countries (SACC), 2011 (cat. no. 1269.0).

15 Occupation data are classified according to the ANZSCO – Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

16 Industry data are classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) (cat. no. 1292.0).

NOTES ON ESTIMATES

17 To minimise the risk of identifying individuals in aggregate statistics, a technique is used to randomly adjust cell values. This technique is called perturbation. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of information that could identify individual survey respondents while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a given published cell will be consistent across all tables. However, adding up cell values to derive a total will not necessarily give the same result as published totals.

COMPARABILITY WITH MONTHLY LFS STATISTICS

18 Due to differences in the scope and sample size of the MPHS and that of LFS, the estimation procedure may lead to some variations between labour force estimates from this survey and those from LFS.

PREVIOUS SURVEYS

19 The Barriers to Labour Force Participation survey was last conducted in the 2012–13 financial year. Results of this survey were published in:

- Barriers to Labour Force Participation, Australia, July 2012 to June 2013 (cat. no. 6239.0).

CHANGES IN THIS ISSUE

20 For the 2012–13 survey, questions were included on Previous full-time job details and Main source of current personal income. These were excluded from the 2014–15 survey.

21 For the 2014–15 survey, enhancements were made to the Previous job payment arrangements question, adding the response category of 'Unpaid trainee/work placement'. Enhancements were also made to survey questions on why not looking for work or more hours, trouble finding work or more hours and wanting more hours. The response categories of 'No need/satisfied with current arrangements/retired (for now)' and 'Visa requirements' were added to these questions.

22 For a more detailed list of available data items and their categories – Barriers & Incentives to Labour Force Participation and Retirement & Retirement Intentions 2014–15 Data Items List, is available in an Excel spreadsheet, on the ABS Website under the Downloads section.

NEXT SURVEY

23 The ABS plans to conduct this survey again during the 2016–17 financial year.

ACKNOWLEDGEMENT

24 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the Census and Statistics Act, 1905.

RELATED PUBLICATIONS

25 ABS publications which may also be of interest include:

- Labour Force, Australia (cat. no. 6202.0);
- Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001)
- Labour Force Survey Standard Products and Data Item Guide (cat. no. 6103.0)
- Persons Not in the Labour Force, Australia (cat. no. 6220.0)

Glossary

GLOSSARY

Actively looking for work

Actively looking for work includes:

- written, telephoned or applied to an employer for work;
- had an interview with an employer for work;
- answered an advertisement for a job;
- checked or registered with a Job Services Australia provider or any other employment agency;
- taken steps to purchase or start your own business;
- advertised or tendered for work; and
- contacted friends or relatives in order to obtain work.

Available to start work

Refers to persons who were available to start work with more hours either in the reference week, or in the four weeks subsequent to the interview.

Available to start work with more hours

Employed persons who usually worked 0–34 hours per week in all jobs and were available to start work with more hours in the reference week or within four weeks.

Currently studying

Persons who were undertaking study for a trade certificate, diploma, degree or any other educational qualification at the time of the survey.

Did not prefer to work more hours

Persons who said 'no' or 'don't know' when asked 'would you prefer to work more hours than you usually work?'.

Did not want a paid job

Persons who were not classified as employed or unemployed who answered 'no' or 'don't know' when asked if they would like a paid job.

Duration of current main job/last job

Length of time worked in current main job/last job.

Employed

Persons who, during the reference week:

- worked for one hour or more for pay, profit, commission or payment in kind in a job or business, or on a farm (comprising employees, employers and own account workers); or
- worked for one hour or more without pay in a family business or on a farm (i.e. contributing family workers); or
- were employees who had a job but were not at work and were:
 - away from work for less than four weeks up to the end of the reference week; or
 - away from work for more than four weeks up to the end of the reference week and received pay for some or all of the four week period to the end of the reference week; or
 - away from work as a standard work or shift arrangement; or
 - on strike or locked out; or
 - on workers' compensation and expected to return to their job; or
- were employers or own account workers who had a job, business or farm, but were not at work.

Employees

Persons who work for a public or private employer and receive remuneration in wages, salary, a retainer fee from their employer while working on a commission basis, tips, piece rates, or payment in kind, or persons who operate their own incorporated enterprise with or without hiring employees.

Employees with paid leave entitlements

Employees who were entitled to either paid sick leave or paid holiday leave (or both).

Employees without paid leave entitlements

Employees who were not entitled to, or did not know whether they were entitled to, paid sick and paid holiday leave.

Family

Two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage(registered or de facto), adoption, step or fostering; and who are usually resident in the same household. The basis of a

family is formed by identifying the presence of a couple relationship, lone parent-child relationship or other blood relationship. Some households will, therefore, contain more than one family.

Full-time workers (usual)

Employed persons who usually work 35 hours or more a week (in all jobs).

Future starters

Persons who were not employed during the reference week, were waiting to start a job within four weeks from the end of the reference week, and could have started in the reference week if the job had been available then.

Had ever worked for two weeks or more

Persons who are not in the labour force or are unemployed and have previously worked for two weeks or more.

Had previously worked

Persons who are not in the labour force or are unemployed, who have previously worked for two weeks or more, less than 20 years ago.

Industry

An industry relates to a group of businesses or organisations that perform similar sets of activities in terms of the production of goods and services. In this publication, industry is classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 Revision 2.0 (cat. no. 1292.0).

Labour force

The civilian population can be split into two mutually exclusive groups: the labour force (employed and unemployed persons) and persons not in the labour force.

Last job

Refers to last job less than 20 years ago.

Level of highest non-school qualification

Non-school qualifications are awarded for educational attainments other than those of pre-primary, primary or secondary education. They include qualifications at the Postgraduate Degree level, Masters Degree level, Graduate Diploma and Graduate Certificate level, Bachelor Degree level, Advanced Diploma and Diploma level, and Certificates I, II, III and IV levels and not further defined. Non-school qualifications may be attained concurrently with school qualifications.

Looking for work with more hours

Refers to persons who indicated that they had done something in the last four weeks to obtain more hours of work.

Main job

The job in which most hours were usually worked.

Not employed

Persons who are either unemployed or not in the labour force.

Occupation

An occupation relates to a collection of jobs that are sufficiently similar in their title and tasks, skill level and skill specialisation which are grouped together for the purposes of classification. In this publication, occupation is classified according to ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

Owner managers of incorporated enterprises (OMIEs)

Persons who work in their own incorporated enterprise, that is, a business entity which is registered as a separate legal entity to its members or owners (may also be known as a limited liability company).

An owner manager of an incorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business. See Status in employment for more information.

Owner managers of unincorporated enterprises (OMUEs)

A person who operates his or her own unincorporated enterprise or engages independently in a profession or trade.

An owner manager of an unincorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business. See Status in employment for more information.

Part-time workers (usual)

Employed persons who usually worked less than 35 hours a week (in all jobs).

Persons in the labour force

Persons who were classified as being in the labour force, that is, either employed or unemployed.

Persons not in the labour force

Persons who were not classified as employed or unemployed.

Preferred to work more hours

Employed persons who usually work 0–34 hours each week and would prefer to work more hours than they usually work.

Reference week

The week preceding the week in which the interview was conducted.

Relationship in household

The relationship of persons who live in the same household.

Status in employment

Status in employment is determined by an employed person's position in relation to their job, and is usually in respect to a person's main job if they hold more than one job.

Employed persons are classified according to the reported relationship between the person and the enterprise for which they work, together with the legal status of the enterprise where this can be established. The groups include:

- Employees
- Owner manager of incorporated enterprise (OMIEs) with employees;
- Owner manager of incorporated enterprise (OMIEs) without employees;
- Owner manager of unincorporated enterprise (OMUEs) with employees;
- Owner manager of unincorporated enterprise (OMUEs) without employees; and
- Contributing family workers.

Time since last job

The elapsed time since ceasing last job.

Unemployed

Persons who were not employed during the reference week, and:

- had actively looked for full-time or part-time work at any time in the four weeks up to the end of the reference week and;

- were available for work in the reference week; or
- were waiting to start a new job within four weeks from the end of the reference week and could have started in the reference week if the job had been available then.

Unpaid activities

Includes caring for own children or other persons children including grandchildren. Also includes caring for elderly or someone with long-term illness or disability or undertaking unpaid voluntary work. Respondents were asked whether they had undertaken any of these activities in the last four weeks.

Usual hours worked

The hours usually worked per week by an employed person.

Wanted a paid job

Persons who are not in the labour force and would like a paid job of any kind. Includes persons who said 'depends'.

Wanted more hours

See 'Preferred to work more hours'.

Abbreviations

'000	thousand
ABS	Australian Bureau of Statistics
ANZSCO	Australian and New Zealand Standard Classification of Occupations
ANZSIC	Australian and New Zealand Standard Industrial Classification
ASCED	Australian Standard Classification of Education
ASCO	Australian Standard Classification of Occupations
DVA	Australian Government Department of Veterans Affairs
LFS	Labour Force Survey
MPHS	Multipurpose Household Survey
MPS	Monthly Population Survey
OMIE	Owner manager of incorporated enterprise
RSE	Relative standard error
SACC	Standard Australian Classification of Countries
SE	Standard error

Populations (Appendix)

APPENDIX Populations

DATA AVAILABLE ON REQUEST

The ABS has a range of data available on request from the Barriers and Incentives to Labour Force Participation topic. This section lists the populations which are used in the publication. Full details of the data items are available on the ABS website in an Excel spreadsheet, under the Downloads section (B&I and R&RI 2014–15 Data Items List).

The population(s) for a particular data item refers to the persons in the survey to whom the data relates. Where alternative output categories are available for the same data item, these are shown and the data item name is followed by a bracketed numeral (e.g. country of birth (2)).

Note: The populations for this topic are numbered from 1–15A. Populations 16–24A relate to the Retirement and Retirement Intentions topic (cat. no. 6238.0) alongside which this survey was run.

For more information about ABS data available on request, contact National Information and Referral Service in Canberra on 1300 135 070 or via email to <client.services@abs.gov.au> or contact Labour Markets Analytics

Section by email to <labour.statistics@abs.gov.au>

Population 1

All persons aged 18 years and over

Population 2

Employed persons

Population 3

Unemployed persons¹

Population 4

Persons not in the labour force

Population 5

Persons not in the labour force who wanted a paid job

Population 6

Persons who were not in the labour force, wanted a paid job but were not available to start within four weeks

Population 7

Persons who were not in the labour force, wanted a paid job, were available to start within four weeks, but were not actively looking for a job

Population 8

Persons who were not in the labour force, wanted a paid job, were available to start within four weeks, and were actively looking for a job

Population 9

Persons who were not in the labour force and did not want a paid job or did not know

Population 9A

Persons aged 18–75 years, who were not in the labour force, excluding those permanently unable to work and permanently retired from the labour force

Population 10

Persons who usually worked 0–34 hours per week in all jobs

Population 11

Persons who usually work 0–34 hours, and preferred to work more hours

Population 12

Persons who usually work 0–34 hours, preferred to work more hours, but were not available to start within four weeks

Population 13

Persons who usually work 0–34 hours, preferred to work more hours, were available to start within four weeks, but were not looking for work with more hours

Population 14

Persons who usually work 0–34 hours, preferred to work more hours, were available to start within four weeks,

and were looking for work with more hours

Population 15

Persons who usually work 0–34 hours, and did not prefer to work more hours

Population 15A

Persons aged 18–75 years, who usually work 0–34 hours per week in all jobs

END NOTE

1. There are no unemployed persons aged over 75 years.

Data Quality (Technical Note)

TECHNICAL NOTE DATA QUALITY

INTRODUCTION

1 Since the estimates published in this publication are based on information obtained from occupants of a sample of households, they are subject to sampling variability. That is, they may differ from those estimates that would have been produced if all households had been included in the survey. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of households (or occupants) was included.

2 There are about two chances in three (67%) that a sample estimate will differ by less than one SE from the number that would have been obtained if all households had been included, and about 19 chances in 20 (95%) that the difference will be less than two SEs.

3 Another measure of the likely difference is the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate.

$$RSE\% = (SE/estimate) \times 100$$

4 RSEs for Barriers and Incentives to Labour Force Participation estimates have been calculated using the Jackknife method of variance estimation. This process involves the calculation of 30 'replicate' estimates based on 30 different sub-samples of the original sample. The variability of estimates obtained from these sub-samples is used to estimate the sample variability surrounding the main estimate.

5 In the tables in this publication, only estimates (numbers, percentages, means and medians) with RSEs less than 25% are considered sufficiently reliable for most purposes. However, estimates with larger RSEs have been included and are preceded by an asterisk (e.g. *13.5) to indicate they are subject to high SEs and should be used with caution. Estimates with RSEs greater than 50% are preceded by a double asterisk (e.g. **2.1) to indicate that they are considered too unreliable for general use.

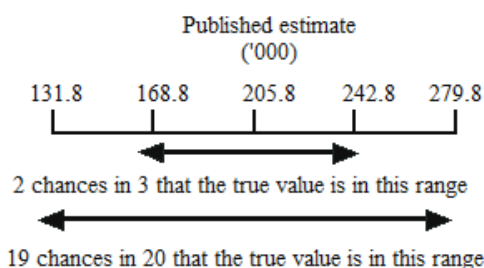
CALCULATION OF STANDARD ERROR AND RELATIVE STANDARD ERROR

6 RSEs are routinely presented as the measure of sampling error in this publication and related products. SEs can be calculated using the estimates (counts or means) and the corresponding RSEs.

7 An example of the calculation of the SE from an RSE follows. The table shows that the estimated number of males aged 18–24 years who did not prefer to work more hours is 205,800, and the RSE for this estimate was 18.0%. The SE is:

$$\begin{aligned} SE \text{ of estimate} &= (RSE / 100) \times \text{estimate} \\ &= 0.18 \times 205,800 \\ &= 37,000 \text{ (rounded to the nearest 100)} \end{aligned}$$

8 Therefore, there are about two chances in three that the value that would have been produced if all households had been included in the survey would fall within the range 168,800 to 242,800 and about 19 chances in 20 that the value would fall within the range 131,800 to 279,800. This example is illustrated in the following diagram.



Proportions and percentages

9 Proportions and percentages formed from the ratio of two estimates are also subject to sampling errors. The size of the error depends on the accuracy of both the numerator and the denominator. A formula to approximate the RSEs of proportions not provided in the spreadsheets is given below. This formula is only valid when x is a subset of y.

$$RSE\left(\frac{x}{y}\right) = \sqrt{[RSE(x)]^2 - [RSE(y)]^2}$$

10 Considering the table, of the 968,600 males who usually worked 0–34 hours each week, 649,400 or 67.0% did not prefer to work more hours. The RSE of 649,400 is 5.5% and the RSE for 968,600 is 4.7%. Applying the above formula, the RSE for the proportion of males who did not prefer to work more hours is:

$$RSE = \sqrt{(5.5)^2 - (4.7)^2} = 2.9\%$$

11 Therefore, the SE for the proportion of males who usually worked 0–34 hours per week who did not prefer more hours was 1.9 percentage points (= (67.0/100) x 2.9). Therefore, there are about two chances in three that the proportion of males who usually worked 0–34 hours per week who did not prefer more hours is between 65.1% and 68.9%, and 19 chances in 20 that the proportion was within the range 63.2% to 70.8%.

Sums or Differences between estimates

12 Published estimates may also be used to calculate the sum of, or difference between, two survey estimates (of numbers, means or percentages) where these are not provided in the spreadsheets. Such estimates are also subject to sampling error.

13 The sampling error of the difference between two estimates depends on their SEs and the relationship (correlation) between them. An approximate SE of the difference between two estimates (x–y) may be calculated by the following formula:

$$SE(x-y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

14 The sampling error of the sum of two estimates is calculated in a similar way. An approximate SE of the sum of two estimates (x+y) may be calculated by the following formula:

$$SE(x+y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

15 An example follows. From Paragraph 7 the estimated number of males aged 18–24 years who did not prefer to work more hours was 205,800 and the SE was 37,000. From the table, the estimate of males aged 25–34 years who did not prefer to work more hours was 105,200, and the SE was 15,990. The estimate of males aged 18–34 years who preferred not to work more hours is:

$$= 205,800 + 105,200 = 311,000$$

16 The SE of the estimate of males aged 18–34 years who did not prefer to work more hours is:

$$SE = \sqrt{(37,000)^2 + (15,990)^2}$$

$$= 40,300 \text{ (rounded to the nearest 100)}$$

17 Therefore, there are about two chances in three that the value that would have been produced if all households had been included in the survey would fall within the range 270,700 to 351,300 and about 19

chances in 20 that the value would fall within the range 230,400 to 391,600.

18 While these formulae will only be exact for sums of, or differences between, separate and uncorrelated characteristics or subpopulations, it is expected to provide a good approximation for all sums or differences likely to be of interest in this publication.

SELECTED ESTIMATES AND RSES

PERSONS AGED 18 YEARS AND OVER, USUALLY WORKED 0-34 HOURS PER WEEK OR NOT EMPLOYED, Whether wanted a job or more hours—By age

PERSONS WHO USUALLY WORKED 0-34 HOURS PER WEEK					PERSONS NOT IN THE LABOUR FORCE		
	Preferred to work more hours	Did not prefer to work more hours (a)	Total	Unemployed	Wanted a job (b)	Did not want a job (a)	Total
ESTIMATES ('000)							
Males							
Age group (years)							
18-24	96.2	205.8	304.8	88.0	113.5	105.9	212.5
25-34	72.9	105.2	180.3	87.3	53.8	*46.0	120.0
35-44	45.3	64.4	107.3	58.4	56.7	50.5	108.6
45-54	42.5	79.4	123.9	38.0	42.5	126.5	168.6
55 and over	51.7	209.4	260.9	44.7	221.1	1,450.3	1,679.3
Total	309.4	649.4	968.6	312.6	473.0	1,778.7	2,293.0
Females							
Age group (years)							
18-24	174.6	242.5	412.6	101.8	101.8	156.5	287.6
25-34	112.6	314.1	434.9	72.9	143.1	288.0	444.3
35-44	134.6	464.5	596.6	71.4	150.0	256.6	410.8
45-54	135.0	358.4	490.7	71.3	81.6	264.0	353.3
55 and over	82.5	457.4	534.2	35.4	213.1	1,929.2	2,152.2
Total	628.4	1,824.4	2,458.5	356.2	699.2	2,896.4	3,642.0
Persons							
Age group (years)							
18-24	261.6	438.7	700.2	203.4	215.6	250.0	489.2
25-34	185.3	419.1	607.3	153.5	201.8	335.6	569.3
35-44	177.3	525.2	698.6	134.1	202.7	306.9	523.7
45-54	179.8	436.2	613.2	107.6	129.5	387.5	518.8
55 and over	137.5	664.6	800.9	79.2	430.4	3,383.9	3,834.7
Total	946.7	2,486.0	3,429.8	673.1	1,165.4	4,671.4	5,941.6
RSES OF ESTIMATES (%)							

Males							
Age group (years)							
18-24	16.3	18.0	11.1	19.5	18.0	16.4	11.1
25-34	19.6	15.2	12.8	14.1	20.2	27.3	16.8
35-44	23.4	11.9	13.0	14.3	16.9	16.1	9.1
45-54	20.4	15.3	11.1	20.9	20.4	8.8	7.5
55 and over	16.3	8.9	7.1	12.2	9.4	1.9	1.3
Total	10.5	5.5	4.7	8.0	6.0	2.0	1.8
Females							
Age group (years)							
18-24	14.8	12.0	7.5	17.6	19.1	17.9	7.9
25-34	16.2	6.8	5.3	15.3	9.2	6.0	4.1
35-44	10.9	3.8	3.5	11.9	8.9	6.2	3.3
45-54	10.9	4.0	4.1	12.4	15.3	5.8	3.4

55 and over Total	15.0	5.4	4.6	15.6	6.0	1.0	1.0
Persons	5.8	2.1	1.7	7.1	5.0	1.2	1.1
Age group (years)							
18–24	11.0	11.2	6.4	3.2	11.6	11.9	2.2
25–34	13.3	5.6	5.0	3.6	6.8	5.3	1.8
35–44	10.7	3.6	3.8	4.0	7.1	5.8	1.5
45–54	9.5	3.6	3.5	3.7	10.4	3.9	1.8
55 and over Total	11.5	5.1	3.7	5.0	6.3	0.9	0.4
	5.1	2.3	1.8	1.6	3.5	1.0	0.5

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

np not available for publication

(a) Includes persons who reported 'Did not know'.

(b) Includes persons who reported 'Maybe/it depends'.

SIGNIFICANCE TESTING

19 A statistical test for any comparisons between estimates can be performed to determine whether it is likely that there is a significant difference between two corresponding population characteristics. The standard error of the difference between two corresponding estimates (x and y) can be calculated using the formula in paragraph 13. This standard error is then used to calculate the following test statistic:

$$\left(\frac{x-y}{SE(x-y)} \right)$$

20 If the value of this test statistic is greater than 1.96 then there is evidence, with a 95% level of confidence, of a statistically significant difference in the two populations with respect to that characteristic. Otherwise, it cannot be stated with confidence that there is a difference between the populations with respect to that characteristic.

21 The imprecision due to sampling variability, which is measured by the SE, should not be confused with inaccuracies that may occur because of imperfections in reporting by respondents and recording by interviewers, and errors made in coding and processing data. Inaccuracies of this kind are referred to as non-sampling error, and they occur in any enumeration, whether it be a full count or sample. Every effort is made to reduce non-sampling error to a minimum by careful design of questionnaires, intensive training and supervision of interviewers, and efficient operating procedures.

Quality Declaration - Summary

QUALITY DECLARATION – SUMMARY

INSTITUTIONAL ENVIRONMENT

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see ABS Institutional Environment.

RELEVANCE

The Barriers and Incentives to Labour Force Participation survey provides data on persons aged 18 years and over who are either not employed or work less than 35 hours. The Barriers and Incentives to Labour Force Participation topic is designed to bring various aspects of factors which influence labour force participation into one data source for comparison. The survey provides information on the potential labour force and what is preventing these persons finding or taking up (more) work.

Full details of the data items are available on the ABS website in an Excel spreadsheet, under the Downloads section (B&I and R&RI 2014–15 Data Items List).

TIMELINESS

The Barriers and Incentives to Labour Force Participation survey is collected biennially, and was first conducted in 2004–05. The most recent Barriers and Incentives to Labour Force Participation survey was conducted throughout Australia during the 2014–15 financial year. It was a component of the 2014–15 Multipurpose Household Survey (MPHS), collected as a supplement to the Australian Bureau of Statistics (ABS) Labour Force Survey (LFS).

ACCURACY

The initial sample for the MPHS 2014–15 consisted of approximately 23,000 private households. Of the 13,800 private households that remained in the survey after sample loss (e.g. households with LFS non-response, no residents in scope for the LFS, vacant or derelict dwellings and dwellings under construction), approximately 73% responded to the MPHS. The number of completed interviews obtained from these private households (after taking into account scope, coverage and subsampling exclusions) was 5,500 for the Barriers and Incentives to Labour Force Participation survey.

Estimates from the survey are subject to sampling and non-sampling errors.

The MPHS was designed primarily to provide estimates at the Australia level. Broad estimates are available for states and territories, though users should exercise caution when using estimates at this level because of the presence of high sampling errors.

To minimise the risk of identifying individuals in aggregate statistics, a technique is used to randomly adjust cell values. This technique is called perturbation. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of information that could identify individual survey respondents while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a given published cell will be consistent across all tables. However, adding up cell values to derive a total will not necessarily give the same result as published totals.

COHERENCE

For the 2012–13 survey, questions were included on Previous full-time job details and Main source of current personal income. These were excluded from the 2014–15 survey.

For the 2014–15 survey, enhancements were made to the Previous job payment arrangements question, adding the response category of 'Unpaid trainee/work placement'. Enhancements were also made to survey questions on why not looking for work or more hours, trouble finding work or more hours and wanting more hours. The response categories of 'No need/satisfied with current arrangements/retired (for now)' and 'Visa requirements' were added to these questions.

Questions on incentives to join or increase participation are included in 2014–15 survey. The incentives module used to be collected every second cycle but now its part of the core content and therefore included in each iteration of the survey.

The statistics presented in this survey have been benchmarked to the Estimated Resident Population for March 2015, independently produced according to the scope of the survey. This ensures that the survey estimates conform to person benchmarks by state, section of state, age and sex. The statistics have been further benchmarked to labour force survey estimates averaged over the 12 month MPHS reference period. This ensures that survey estimates are also consistent with the estimated in-scope population by state, section of state, sex, age and labour force status.

INTERPRETABILITY

The Barriers and Incentives to Labour Force Participation publication contains detailed Explanatory Notes, Technical Notes and a Glossary that provide information on the terminology, classifications and other technical aspects associated with these statistics.

The estimates are based on information collected over the financial year. Therefore, seasonally adjusted and trend estimates are not produced and seasonal weighting is not undertaken.

Further commentary is often available through articles and data published in other ABS products, including:

Australian Labour Market Statistics (cat. no. 6105.0).

Australian Social Trends (cat. no. 4102.0).

ACCESSIBILITY

For the 2014–15 release, tables and associated RSEs are available in spreadsheet form on the ABS website.

Data are also available on request.

For more information about ABS data available on request, contact National Information and Referral Service in Canberra on 1300 135 070 or via email to <client.services@abs.gov.au> or contact Labour Markets Analytics Section by email to <labour.statistics@abs.gov.au>

© Commonwealth of Australia

All data and other material produced by the Australian Bureau of Statistics (ABS) constitutes Commonwealth copyright administered by the ABS. The ABS reserves the right to set out the terms and conditions for the use of such material. Unless otherwise noted, all material on this website – except the ABS logo, the Commonwealth Coat of Arms, and any material protected by a trade mark – is licensed under a Creative Commons Attribution 2.5 Australia licence